

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 16939 151852Z

47

ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 SSO-00 INRE-00 NSCE-00 USIE-00

AID-05 CIAE-00 COME-00 EB-07 FRB-03 INR-07 NSAE-00

XMB-02 OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01

NSC-05 SS-15 STR-04 CEA-01 H-02 L-03 /079 W

----- 078773

O R 151740Z OCT 76

FM AMEMBASSY ROME

TO SECSTATE WASHDC IMMEDIATE 593

INFO TREASURY DEPT, WASHDC IMMEDIATE

AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY PARIS

DIA

USMISSION EC BRUSSELS

USMISSION NATO

OECD PARIS

AMCONSUL MILAN

AMCONSUL NAPLES

USCINCEUR VAIHINGEN, GERMANY

USDOCOSOUTH FOR INTAF

LIMITED OFFICIAL USE ROME 16939

TREASURY FOR SYVURD

E.O. 11652: GDS

TAGS: PINT, ELAB, PINR, IT , EFIN

SUBJECT: LABOR UNREST OVER GOVERNMENT AUSTERITY MEASURES

REF: ROME 16616

1. SUMMARY. EVIDENCE OF GRASS ROOTS UNREST OVER GOVERNMENT
AUSTERITY MEASURES IS CONSIDERABLE AND WIDESPREAD. HELPING TO
FUEL THE DISCONTENT IN LABOR CIRCLES ARE THE SOCIALISTS, VARIOUS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 16939 151852Z

AUTONOMOUS LABOR UNIONS AND THE EXTRA-PARLIAMENTARY GROUPS TO THE

LEFT OF THE COMMUNIST PARTY. THE MAJORITY OF THE LABOR MOVEMENT, ON THE OTHER HAND, IS IN SOMETHING OF A QUANDARY IN SEEKING TO ASSUME THE RIGHT ATTITUDE ON THE SUBJECT. IT SEEMS LIKELY THAT THE COMMUNISTS AND CHRISTIAN DEMOCRATS IN THE CCU WILL CONTAIN THE SITUATION WITHIN MANAGEABLE PROPORTIONS. END SUMMARY.

2. THE LEADERS OF THE FEDERATION CGIL-CISL-UIL (CCU) HAVE BEEN DISCUSSING WHAT TO DO ABOUT THE GOVERNMENT'S RADICAL AUSTERITY PLANS WHICH HAVE PROVOKED "SPONTANEOUS" STRIKES, OR AT LEAST STRIKES NOT APPROVED BY HIGHER UNION AUTHORITY, IN VARIOUS PARTS OF THE COUNTRY. THE SOCIALISTS IN BOTH THE UIL AND THE CGIL ARE CALLING FOR A NATIONAL GENERAL STRIKE OF PROTEST. THE CGIL COMMUNISTS, ALONG WITH CISL AND VANNI'S REPUBLICANS IN UIL, ARE OPPOSED. THEY HAVE SUGGESTED INSTEAD A SERIES OF DECENTRALIZED, REGIONAL STRIKES TO BE STAGGERED IN TIME AND PLACE. FOLLOWING PROTRACTED DISCUSSION, THE CCU SECRETARIAT HAS DECIDED AGAINST A NATIONAL GENERAL STRIKE AND HAS RECOMMENDED TO THE CCU EXECUTIVE COMMITTEE MEETING STARTING OCTOBER 19 A SERIES OF LESSER STRIKE ACTIONS.

3. TO DATE, SOME 70 FACTORIES HAVE EXPERIENCED WORK STOPPAGES IN THE PAST SEVERAL DAYS, MOST OF THEM OF THE WILDCAT NATURE. INCREASINGLY, LOCAL UNIONS HAVE SOUGHT TO OVERTAKE EVENTS BY SPONSORING THE WALKOUTS. YESTERDAY IN TURIN, A STRIKE AT FIAT ENJOYED INDIFFERENT SUCCESS. MANAGEMENT CLAIMS ONLY 30 PERCENT OF THE WORK FORCE WAS ABSENT; THE LOCAL UNIONS WHO CALLED THE STRIKE CLAIM A MUCH HIGHER TURNOUT. THE CCU COMMITTEE IN MILAN HAS PROCLAIMED A PROVINCE-WIDE STRIKE FOR OCTOBER 20.

4. COMMENT: DEPENDING ON THE EXTENT TO WHICH THE CURRENT MANIFESTATIONS OF UNREST ESCALATE, THERE IS PERIL FOR THE MINORITY GOVERNMENT IN THE VARIOUS STRIKE ACTIONS CURRENTLY UNDERWAY OR CONTEMPLATED. STILL, THE SUBSTANTIAL MAJORITY OF LABOR LEADERSHIP SEEMS FIRMLY OPPOSED TO TAKING ACTIONS WHICH COULD BRING DOWN THE ANDREOTTI GOVERNMENT, BOTH BECAUSE IT IS AT PRESENT CONCEDED TO BE THE BEST GOVERNMENT THAT CAN BE EXPECTED AND BECAUSE THE STEPS THE GOVERNMENT IS TAKING -- UNPOPULAR AND PAINFUL THOUGH THEY MAY BE -- ARE CLEARLY REQUIRED BY THE ECONOMIC SITUATION. IN SHORT, APART FROM SEEKING TO ALTER CERTAIN DETAILS OF THE GOVERNMENT'S PROPOSALS, LABOR REALLY HAS NO SOUND ALTERNATIVE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ROME 16939 151852Z

TO OFFER.

5. THE SOCIALISTS ARE CLEARLY FEELING THEIR OATS FOLLOWING THEIR SUCCESSFUL TAKEOVER OF THE UIL. FURTHERMORE, SOCIALIST LABOR LEADERS CONFIDE THAT THEY ARE TAKING THE KIND OF ANTI-COMMUNIST ACTION WHICH HAS REPEATEDLY BEEN URGED UPON THEM. THAT THIS SEEMS SOMEWHAT HEEDLESS ANTI-COMMUNISM WHICH COULD UNSETTLE THE COUNTRY'S POLITICAL STABILITY INTERESTS THEM LESS: THEY ARE

SIMPLY LASHING OUT, SEEKING A DIRECTION WITH MAXIMUM PAYOFF WHICH WILL SERVE TO RECOUP THEIR DEPRESSED POLITICAL FORTUNES.

6. THE COMMUNISTS ARE ACTING LIKE A GROUP WITH A SUBSTANTIAL VESTED INTEREST IN THE SURVIVAL OF THE ANDREOTTI GOVERNMENT. PCI FUNCTIONARIES, REPRESENTING THE PARTY RATHER THAN THE CGIL, ARE APPEARING AT THE VARIOUS WILDCAT MANIFESTATIONS AROUND THE COUNTRY TO MAKE SURE EXTREMISTS DO NOT TAKE CHARGE. SOCIALISTS HAVE COMPLAINED ALSO THAT PCI FUNCTIONARIES HAVE BEEN VISITING MAJOR WORK PLACES DURING THE PAST SEVERAL DAYS HOLDING BRIEFING SESSIONS (AND USING UP THE TIME WHICH WORKERS ARE ALLOWED TO ATTEND UNION MEETINGS) TO EXPLAIN CURRENT ECONOMIC PROBLEMS. THOUGH THEY ARE UNQUESTIONABLY EXPERIENCING DIFFICULTIES IN CALMING THE HOTTER HEADS, THE COMMUNISTS APPEAR TO BE SEEKING TO DEMONSTRATE TO THE CHRISTIAN DEMOCRATS THAT THEY -- AND ONLY THEY -- CAN DELIVER RELATIVE LABOR PEACE IN DIFFICULT TIMES.

7. WHILE GOVERNMENTS HAVE FALLEN IN ITALY IN CIRCUMSTANCES SUCH AS THOSE WHICH ARE BUILDING AT PRESENT, THE RELATIVELY COOPERATIVE ATTITUDE OF THE PCI IS A NOVEL ELEMENT. IT THEREFORE SEEMS REASONABLE TO EXPECT THAT THE SITUATION WILL EFFECTIVELY BE DEFUSED THROUGH ALLOWING STEAM TO BE LET OFF THROUGH BRIEF REGIONAL STRIKES COUPLED WITH COSMETIC ALTERATIONS IN DETAILS OF THE GOVERNMENT MEASURES, LEAVING BOTH THE AUSTERITY MEASURES AND THE ANDREOTTI GOVERNMENT BASICALLY INTACT FOR THE TIME BEING.VOLPE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR UNIONS, FINANCIAL PROGRAMS, PRICE CONTROLS, POLITICAL SITUATION, LABOR STRIKES
Control Number: n/a
Copy: SINGLE
Draft Date: 15 OCT 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ROME16939
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: DG ALTERED
Executive Order: N/A
Errors: N/A
Film Number: D760388-0381
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761047/aaaaboml.tel
Line Count: 140
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 ROME 16616
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 06 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 APR 2004 by CollinP0>; APPROVED <06 AUG 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LABOR UNREST OVER GOVERNMENT AUSTERITY MEASURES
TAGS: PINT, ELAB, PINR, EFIN, IT
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006